



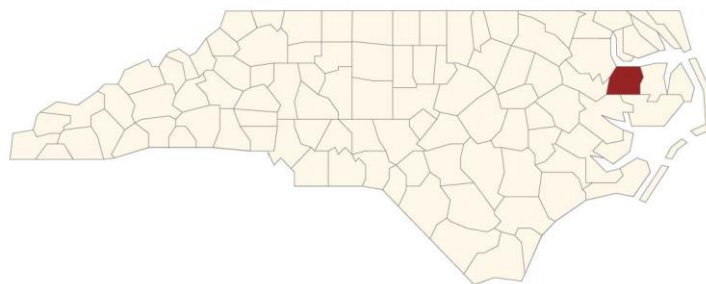
On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government

American Recovery and Reinvestment Act Report, Washington County

Washington County received more than \$25 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Washington County total.



New COPS:
1



Small Business Jobs:
263

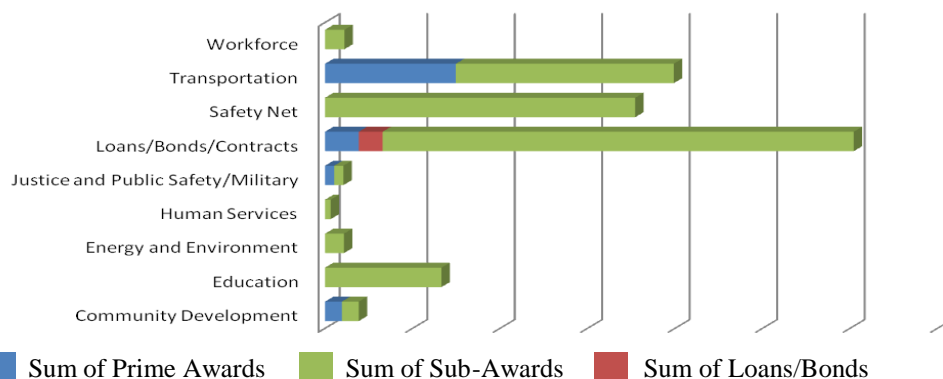


Appliances rebated:
8



Family homes financed:
5

Washington County Totals



Washington County,
pop 13,723 at a glance:

Recovery Act Totals:

Grants: \$25,122,844

Loans: \$545,337

Total: \$25,668,181



Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

Washington County schools received \$3 million in education funding, including \$444,634 in Special Education funds, \$802,631 in Title I funds, \$1.3 million in SFSF funds, and \$455,420 in Race to the Top funding.



Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

In Washington County, 5 families received assistance through this program totaling more than \$525,337 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

Washington County retailers sold 8 appliances through the Energy Star Appliance rebate program.



Small Business Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

In Washington County 1 small business received an SBA loan guarantees worth almost \$5,000. According to the small business receiving this loan, the Recovery Act saved or created 4 jobs. Additionally, the USDA Business and Industry Program provided a loan worth more than \$10 million dollars that saved or created 259 jobs.



Farm Assistance

The Supplemental Revenue Assistance Payments (SURE) Program is administered by the Farm Services Administration in the federal Department of Agriculture, which provides assistance to farmers suffering crop losses due to natural disasters. To qualify for the program a farm must have lost at least 10% of one crop during a natural disaster in a declared disaster county, or lost 50% of a crop during a disaster in a non-disaster county. North Carolina farmers received more than \$9 million in total payments under the ARRA-Funded SURE Program.

In Washington County, \$255,979 was received in assistance to farmers because of crop loss to natural disasters.



CARS Program

The Car Allowance Rebate Program (CARS), more widely known as the 'Cash-for-Clunkers' program, provided an incentive for drivers of older, energy inefficient vehicles to upgrade to new cars. This program also provided a large economic impact in North Carolina, and North Carolina dealers received more than 18,000 trade-in vehicles through this program. North Carolina Car Dealers sold more than \$400,000,000 worth of new cars (recommended MSRP) through the CARS program. North Carolina drivers will save 172,130 miles per gallon through cars purchased through this program.

In Washington County, car dealers sold 6 cars worth almost \$150,000 through the ARRA CARS program.



Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to

various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

In Washington County, \$93,198 was awarded in JAG funding.

The COPS (Community Oriented Policing Services) awards grants to law enforcement agencies to hire and train community policing professionals, acquire and deploy cutting-edge crime-fighting technologies, and develop and test innovative policing strategies. COPS funding also provides training and technical assistance to community members and local government leaders and all levels of law. In order to help leverage the efficiency of these programs Governor Perdue set aside additional funding to help pay for uniforms and equipment for local governments who have new COPS funded positions.

In Washington County, 1 officer was funded through COPS Grants.



Green Energy Programs

One of the goals of ARRA was to provide grants to help conserve energy and assist in the development of a green economy. The State Energy Office in the North Carolina Department of Commerce received large grants for energy conservation under the American Recovery and Reinvestment Act. These grants include the Energy Efficiency Conservation Block Grant (EECBG), funded at just under \$20 million, and the State Energy Plan (SEP), funded at \$70 million. The State Energy Office then used these grants to make awards to businesses, non-profits, and local governments for various purposes.

In Washington County, the State of North Carolina upgraded parks and recreation facilities with programmable thermostats.



Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

Washington County residents received \$4.7 million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$1.4 million in SNAP benefit increases, and \$866,750 in one-time payments of \$250 to social security recipients.

Washington County Feature Story

Washington County Receives High-Speed Internet

One of the important factors of the American Recovery and Reinvestment Act was to promote the construction of important infrastructure and technological foundation for a 21st Century Economy. This meant increased spending for research, alternative energy, education, and the implementation and expansion of broadband services.

Titles I and II of part A of the Act, established the two major broadband implementation and expansion programs: the Rural Utilities Service (RUS) Broadband Initiatives Program (BIP), and the National Telecommunications and Information Administration's (NTIA) Broadband Technology Opportunities Program (BTOP). More than \$7 billion was available between the two programs for various projects.

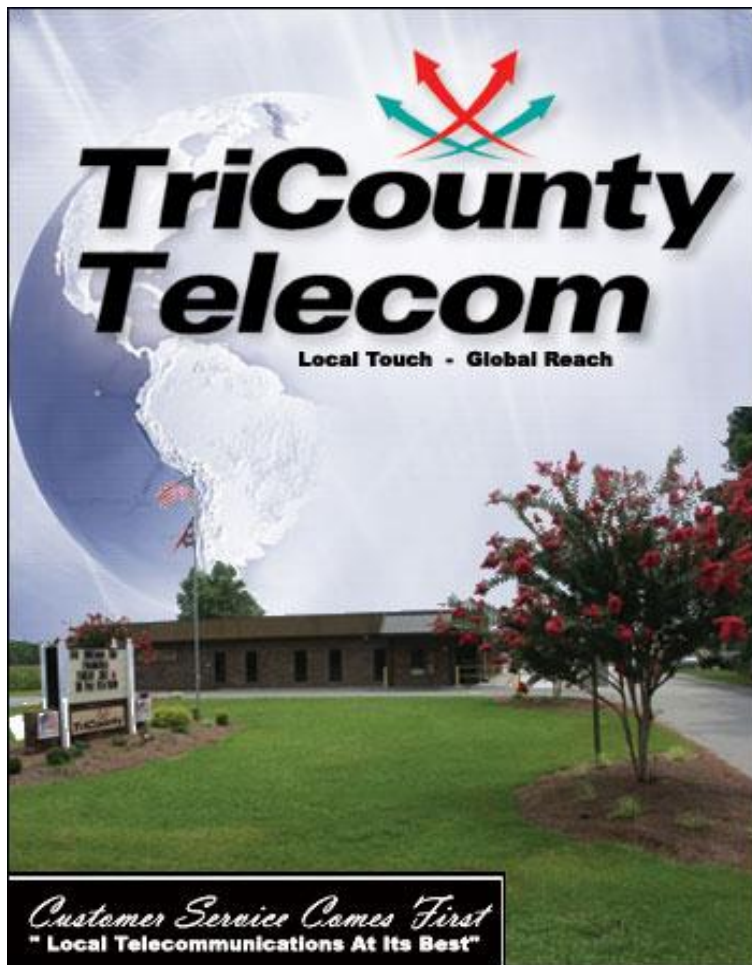
North Carolina has received notice of more than \$280 million in BIP and BTOP projects. 81 North Carolina counties will receive funding or be traversed by a BIP or BTOP program. These programs include projects that support primary and higher education, public safety, economic development, serve vulnerable populations, and provide direct broadband services to consumers.

The BIP was an existing program implemented by the Rural Utility Service in the federal Department of Agriculture. BIP focused on providing money to existing rural providers to expand and improve broadband services. One of the nine BIP recipients in North Carolina was the Tri-County Telephone Membership Co-op.

This approximately \$14.1 million award, matched by more than \$2 million in private contributions, will allow Tri-County Telephone to offer broadband service using advanced technology in northeast Beaufort County and parts of Hyde and Washington Counties. This project will deploy an advanced fiber optic network with inherent capability to deliver broadband service speeds of 80 Mbps. The program will serve as a last-mile, fiber to the home program, delivering high-quality, high-speed internet to service areas.

Approximately 10,780 people stand to benefit, as do roughly 889 businesses and 32 community institutions. In addition to the more than 27 jobs the company estimates this project will create upfront, it will provide a foundation for economic growth and job creation for decades.

As of the Second Quarter of 2011 reporting period, Tri-County Telcom has completed all agreements, and drawn down funds for equipment and engineering needs. Construction on the program should begin soon.



Appendix, Washington County breakout

Federal Agency	Program Title	Recipient name	Recipient role ⁱ	Prime Amount ⁱⁱ	Unique Sub Awards ⁱⁱⁱ	Loans	Additional Economic Activity (not counted toward totals) ^{iv}
	Bonds		P			\$0.00	
	Cash for Clunkers		S		\$26,000.00		
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$525,337.00	
Administration for Children and Families	ARRA - Child Care and Development Block Grant	Washington, County Of	S	\$0.00	\$131,311.45	\$0.00	
Department of Agriculture	Business and Industry Loans	Various	L		\$10,000,000.00		
	Supplemental Nutrition Assistance Program	Multiple Individuals	S		\$1,441,187.16		
Department of Housing and Urban Development	No CFDA for Contract type awards	Plymouth Housing Authority	P	\$385,850.00		\$0.00	\$385,850.00
				\$385,850.00		\$0.00	\$385,850.00
	Public Housing Capital Fund Formula (Recovery Act Funded)	Plymouth Housing Authority	P	\$385,850.00		\$0.00	\$385,850.00
Department of Justice	Public Safety Partnership and Community Policing Grants	Plymouth, Town Of	P	\$117,206.00		\$0.00	\$117,206.00
	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	Plymouth, Town Of	P	\$41,550.00		\$0.00	\$41,550.00
				\$41,550.00		\$0.00	\$41,550.00
				\$10,098.00		\$0.00	\$10,098.00
Department of Labor	Unemployment Insurance	Multiple Individuals	S		\$4,784,320.02		
Federal Highway Administration	Highway Planning and Construction	Barnhill Contracting Company	PV	\$0.00		\$0.00	\$0.00
		Boggs Paving, Inc.	PV	\$0.00		\$0.00	\$0.00
			SV	\$0.00		\$0.00	\$0.00
		Coastal Gunitite Construction Company	PV	\$0.00		\$0.00	\$1,990,881.00
		Matthews, Town Of	S	\$0.00		\$0.00	\$653,571.00

		North Carolina Department Of Transportation	P	\$1,990,881.00		\$0.00	\$1,337,310.00
				\$1,000,000.00		\$0.00	\$1,000,000.00
Food and Nutrition Service	Child Nutrition Discretionary Grants Limited Availability	Washington County Board Of Education	S	\$0.00	\$32,748.00	\$0.00	
Idaho Operations Office	Energy Efficient Appliance Rebate Program (EEARP)		P			\$0.00	\$1,150.00
National Energy Technology Laboratory	State Energy Program	Plymouth, Town Of	S	\$0.00	\$406,564.00	\$0.00	
Office of Elementary and Secondary Education	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	Washington County Board Of Education	S	\$0.00	\$1,223,462.00	\$0.00	
		Washington Montessori Inc	S	\$0.00	\$148,982.00	\$0.00	
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Washington County Board Of Education	S	\$0.00	\$455,420.00	\$0.00	
	Title I Grants to Local Educational Agencies, Recovery Act	Washington County Board Of Education	S	\$0.00	\$802,631.00	\$0.00	
Office of Special Education and Rehabilitative Services	Special Education Grants to States, Recovery Act	Washington County Board Of Education	S	\$0.00	\$444,634.00	\$0.00	
Small Business Administration	Loans	Wine On The Roanoke	L			\$20,000.00	
SSA	Social Security Economic Recovery Act Payments	Multiple Individuals	P		\$866,750.00		
Grand Total				\$4,358,835.00	\$20,764,009.63	\$545,337.00	\$6,350,866.00

ⁱ Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

ⁱⁱ Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to www.federalreporting.gov

ⁱⁱⁱ Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

^{iv} Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.